



MAGAZINE LUIZA S.A.
Publicly-Held Company
CNPJ/MF nº 47.960.950/0001-21
NIRE: 35.3.0010481.1
Rua Voluntários da Franca, 1465
CEP 14400-660, Franca, São Paulo

MATERIAL FACT

MAGAZINE LUIZA S.A. (B3 Ticker: MGLU3) (the “**Company**”), pursuant to Section 157, §4° of Law No. 6,404, dated December 15, 1976, as amended, and the Brazilian Securities and Exchange Commission (*Comissão de Valores Mobiliários*) (“**CVM**”) Rule No. 358, dated January 3rd, 2002, as amended, hereby informs its shareholders and the market in general that the Company’s Board of Directors, on September 27, 2017, approved the pricing of an offering of 24,000,000 common shares issued by the Company (the “**Shares**”), consisting of (i) 17,600,000 newly issued common shares of the Company (the “**Primary Offering**”) and (ii) 6,400,000 common shares of the Company to be offered and sold by Luiza Helena Trajano Inácio Rodrigues, Onofre de Paula Trajano, Fabrício Bittar Garcia, Flávia Bittar Garcia and Franco Bittar Garcia, as selling shareholders, (the “**Secondary Offering**” and together with the Primary Offering, the “**Restricted Offering**”) with restricted placement efforts in Brazil in accordance with CVM Rule No. 476, dated January 16, 2009, as amended, at a price per common share of R\$65.00, resulting in an aggregate capital increase of R\$1,144.0 million. Immediately following the consummation of the Restricted Offering, the Company’s total capital stock will be R\$1,770.9 million, comprising 190,591,464 common shares.

The Restricted Offering of the Shares of the Company has not been and will not be registered under the Securities Act, or any other U.S. federal and state securities laws (the “Securities Act”), and the Shares may not be offered, sold, pledged or otherwise transferred in the United States or to U.S. investors, unless they are registered, or exempt from, or not subject to, registration under the Securities Act.

In order to comply with CVM regulations and to ensure the participation of current shareholders in the Restricted Offering, a priority right was given to existing shareholders of the Company to subscribe for up to all of the shares to be placed through the Primary Offering pro rata to their shareholdings in the Company’s share capital (“**Priority Offering**”), excluding treasury shares. Therefore, all of the newly issued common shares of the Company to be offered in the Primary Offering were offered to existing shareholders first pursuant to the Priority Offering. **The Priority Offering of Shares occurring in Brazil concurrently with the Restricted Offering has not been and will not be registered under the Securities Act or under any U.S. state securities laws. Accordingly, the Priority Offering is only available to investors in the United States or to U.S. persons in reliance on exemptions from registration provided under the Securities Act.**

This material fact notice is disclosed for informative purpose only and shall not, in any circumstances, be construed as an investment recommendation. This material fact is not intended for publication or distribution, directly or indirectly, in or into the United States. This material fact notice does not constitute an offer to sell or the solicitation of an offer to buy the Company’s securities, including the Shares, and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of that jurisdiction.

São Paulo, September 28, 2017.

MAGAZINE LUIZA S.A.

Roberto Bellissimo Rodrigues

Chief Financial and Investors Relation Officer